

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1871
ANSWERED ON:14.03.2002
POOR CONTRACT MANAGEMENT
RAGHUNATH JHA

Will the Minister of RAILWAYS be pleased to state:

- (a) whether due to poor contract management loss of crores of rupees have been incurred to the Railways;
- (b) if so, whether such losses were enquired into and the action taken against the persons responsible for it and to bring in the concept of fixing responsibility and accountability in the discharge of duties by the Government officials and officials of the cooperative societies charged with the responsibility of selling stationery etc. to the Government offices;
- (c) whether the CAG had taken up with the Railway Board a case of loss of Rs. 1.03 crores in October, 1998 as reported in CAG report No. 9 of 1999 on pages 105-107; and
- (d) if so, the details of reply sent to the CAG in response to audit observations?

Answer

MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINIST
RAILWAYS (SHRI O. RAJAGOPAL)

(a) to (d): A Statement is attached.

Statement referred to in reply to parts (a) to (d) of Unstarred Question No. 1871 by Shri Raghunath Jha for answer in Lok Sabha on 14.3.2002 regarding Poor Contract Management.

(a) to (d): The contracts are managed within the frame work of laid down procedure and rules. In C&AG Report of 9 of 1999 a case for loss of Rs. 1.03 crore in Oct.'98 due to inefficient contract management was reported. However, there is no failure of any individual. Northeast Frontier Railway has advised all field units about procedure to be followed for issuing railway materials to the contractors. Proper monitoring is being done at zonal railway level to recover amount from outstanding dues of the contractors wherever recovery is due.

Apart from the above, there are 32 paras included in Chapter-3 of C&AG's Report No. 9 of 1999 (Railways) As per laid down procedure, Action Taken Notes on para included in C&AG's Report, duly vetted by Audit, are submitted to the Public Account Committee.